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CIA CAREER COUNCIL

40th Meeting

Thursday, 7 February 1957

Room 154, Administration Building

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Present

Gordon M. Stewart
Director of Personnel
Chairman

Robert Amory, Jr.
Deputy Director (Intelligence)
Member

25X1A9A [redacted]
Acting Deputy Director, Office of Training
Alternate for D/TR, Member

25X1A9A [redacted]
Acting Chief, FI Staff
Alternate for DD/P, Member

Lyman B. Kirkpatrick
Inspector General
Member

25X1A9A [redacted]
Director of Communications
Member

Lawrence K. White
Deputy Director (Support)
Member

25X1A9A [redacted]
DD/Pers/PD
Executive Secretary

25X1A9A [redacted]
Office of Personnel
Reporter

Guests

25X1A9A [redacted] Lawrence R. Houston, General Counsel
[redacted] Office of General Counsel
Norman S. Paul, Legislative Counsel

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. . . . The 40th meeting of the CIA Career Council convened at 3:00 p.m., Thursday, 7 February 1957, in Room 154, Administration Building, with Mr. Gordon M. Stewart presiding

MR. STEWART: The meeting will please come to order.

The minutes of the last meeting have not been prepared. They will be circulated before the next meeting along with the minutes of this meeting, and we will review them at that time.

The only subject before the Career Council this afternoon is the question of legislation. Mr. Norman Paul will begin with a review of our position and with the recommendations that he and others working with him have drawn up for your consideration. Mr. Paul?

MR. PAUL: I think I might present the case by giving a bit of background, more as a reminder than anything else, and tell you something of the latest developments, and then move on, at the end of a few minutes' presentation, to the proposals that, at the staff level, at least, we have worked out in consultation with Mr. Houston.

You will recall we forwarded to the Budget Bureau on the 10th of December a rather large legislative package which had in it a lot of benefits, primarily aimed at overseas employees, a few procurement provisions and a few odds and ends such as raising the ceiling of retired military officers, and a retirement proposal. The legislation was quite wordy. This was done purposely, as it had been last year in the bill we introduced to Congress, because it had been decided as a matter of policy that we ought to seek our own authorities wherever possible and not simply rely on references to various other bills, such as the Foreign Service Act, when we sent these forth. There have been two reactions to this that have become related in the sense that I present to you. The first of these was that the Director when he first went up to see Mr. Vinson, the Chairman of the Armed Services Committee of the House, this session, mentioned that we after all put some legislation in last year and hoped to do so this year in the hopes Congress would act this time on it, at which point Mr. Vinson said he hoped that we would avoid legislation if at all possible, and if not possible to completely avoid it to put in as little as possible. Now just why - he didn't make himself too clear, except that he seemed to feel that bringing up a large package of legislation for CIA would simply bring us out onto the floor once more and open it up to all kinds of debate

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which might bring in the joint committees and a lot of other things. The idea is to keep us off the floor if at all possible. The Director said he agreed with Mr. Vinson. Mr. Vinson also made a very significant statement, that we should try to stretch our legislation to the very limit--

MR. HOUSTON: Of existing authorities--

MR. PAUL: Yes. And the Director noted that and said he would do what he could. Now we haven't seen Senator Russell and discussed this specifically with him but I think the Director feels, and I certainly feel, that he would probably go along with that one hundred percent--that the less he would have to do with us on the floor, the better he would like it. So our instructions from the Director from that time on have been to try to shave down our legislation and try to limit it, if we could, and come back to him and suggest what kind of package the Agency should go forward with. In the meantime we have sent over our larger package to the Budget Bureau and they have reacted by sending forward to us an unsigned letter from Philip Young, which, though unsigned, has been checked with Young--he didn't sign it for the reason he wanted to see if we couldn't work out the difficulties without getting into a lot of formal exchanges. I think the Budget Bureau goes along pretty much with the Young proposals. That is one of the tabs in the papers before you [Tab 2 of the agenda]. So we have two jobs, the drafting job, and a very considerable one of seeing whether we need legislation. And also the problem of dealing with the substantive comments that we have from Young's office.

I think I'd like to just go through very briefly the sense of what I got out of the Young letter, and those of us who analyzed it, to see what kind of comments they have given us, and I'd like to deal with everything short of the retirement provisions at this time and treat that separately at the end of the meeting, because that is the critical issue before the Council today. It might be said in summary that all of the other comments in the Young letter, although they were addressed to the substance I don't think are going to involve us in any real argument with the Bureau of the Budget or with Young. We are not clear yet on the coverage which they are going to allow us. They seem at one point in the letter to be saying, with respect to certain of our provisions, certain of our benefits, such as the travel expenses of employees and dependents, storage of household effects, bringing the remains of deceased employees home, etc., should apply anywhere outside the continental U. S. Well, in this respect they are suggesting a broadening of

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what we are asking for. As to the transportation of automobiles and moving families and dependents out of dangerous areas, and transportation for education, and one or two others, they say should be restricted to areas outside of the United States and the territories and possessions. Now we are not clear on whether they are going to be willing to leave the trust territories covered yet in those sections. We certainly recommend to the Council and will to the Director, if you approve, that we continue to press for this one, because I think we should have it, and they haven't presented any substantive arguments as to why we shouldn't. In fact, they might be saying okay. That is one subject on which we would like this Council's view. I have assumed you would want us to press for that. Now they have in other places suggested largely that we consolidate our authorities with those of the Foreign Service. In other words, instead of repetitious language, to deal with those provisions of the Foreign Service Act we think we should have, by reference to the Foreign Service Act. Well this, coincidentally, would fit in with the objective the Director has given us of shortening our bill, anyway, and none of us can see why this isn't perfectly feasible [if we say] "as amended" or "as may be amended hereafter." In one or two places we had tried, if you will recall, to build into our bill not only everything that was in the Foreign Service Act with respect to certain benefits, but also everything that we have been able to find in any legislation that has been proposed by the Administration during the last session, whether or not it passed the Congress. Well, this was duly noted [laughter], and in a couple of quite irrelevant paragraphs the Young office seems to be saying we should settle down, but they don't like the Foreign Service Act and their Act is going to repeal the Foreign Service, particularly on the allowances bill. But what it gets down to is to stick with the Foreign Service, and what we have asked for over and beyond what the Foreign Service now has doesn't really amount to much. And if the Administration goes forward with the allowances bill, which I understand they will, it will probably pass and it will take the place of any sections of the Foreign Service Act anyway, with which it is inconsistent. So I don't think there is any real problem there. We will just have to negotiate that out with them. I think in summary that handles their comments, apart from the retirement.

Now on the other parts of the bill which this did not comment on, such as the procurement section, we are working now on a number of alternative approaches. To some extent this applies not only to the procurement but also to the

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section 5 benefits, and we would like to get the Council's view on what would be the preferable of three alternative proposals along these lines, bearing in mind the Director's instructions to try to cut this down as much as possible. I could take a whack at it, Larry, but perhaps you would prefer to present that.

MR. HOUSTON: I might again give just a little history. When we first went up in 1948 there was some debate in the committees as to whether they shouldn't just pass a general section, which would be the section 10 of our present bill, which are the very broad, general authorities, without regard to the other provisions of the law and let us ride on those. But after some debate and after the view of the Comptroller General had been considered, they decided to put in the specific authorities which are now contained in section 3, the procurement authorities, and section 5, the overseas benefits. This has always been a complicating factor. You never know quite when you are depending on section 10 and when on the specific authorities, and to some extent both sections 3 and 5 have been outmoded and both need amendment. If you take Mr. Vinson's statement most literally the logical end would be to rescind sections 3 and 5 entirely and get an expression of intent from the committee report, that it was the intent of Congress to use section 10 in its broad authorities to accomplish all these purposes. We would need a very specific statement to this effect to get the Comptroller General to go along since he is the one that wants us to have specific authorities for those administrative purposes which are not peculiar to this Agency. Whether that is politically feasible is a question we would like some views on. It is the simplest and most clear-cut technique.

The second way of approaching it is to amend section 3 and section 5 with fairly simple language--section 3 merely adopting the general authorities of the Armed Services procurement regulations without exception - they are now just partially included--and adding a provision for five year availability of funds for each station development project. This would be fairly short and fairly simple language and might be acceptable. Again, we have the retirement thing completely outside of this. It doesn't fit in either of those alternatives.

And the third alternative, as we discussed it, was to go into the fuller provisions somewhat similar to our original act but incorporating by reference as much as possible and including those other provisions which are not covered by section 3 and section 5.

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MR. PAUL: There was one alternative I thought we had discussed--was to leave the bill completely alone, with all its obsolete and obsolescent authorities there. This would be, I think, from Vinson's point of view - this would be ideal because this would not bring the bill out on the floor, but all we would get would be perhaps a letter from the committee saying, "We want you to use your authorities and we recognize certain of them are obsolete."

MR. HOUSTON: Or we could address a letter to the committee saying portions of sections 3 and 5 and possibly others are obsolete or are confusing and that we intend, therefore, if the Congress approves, to take care of those portions not presently covered by our legislation by enlarging on the use of section 10, and if we got a response saying to the Comptroller General that that was now the intent of Congress--

MR. KIRKPATRICK: Does a committee resolution constitute the intent of Congress?

MR. HOUSTON: There was no clear intent in the original deliberations and the Comptroller General says it wasn't the intent of Congress, and we are hoping to overcome that by a committee decision rather than full consideration.

MR. KIRKPATRICK: Say you got this committee to say their intent now is thus and so, regardless of what the intent of the first Armed Services subcommittee was, could he not then argue that this is contrary to the intent of the Congress that passed the legislation?

MR. HOUSTON: He could, and to do it this way would take some careful deliberations around the back halls.

MR. PAUL: If you want a recommendation--I feel very strongly that if we go up under either the alternative of leaving the bill alone and getting an exchange of letters or through a rescission of the existing authorities of sections 5 and 3 and a statement in the report to the effect that we should use section 10 to the maximum degree possible--I think either one of those might get us into a real peck of trouble in that in any event, or certainly in the second event, a bill would have to come onto the floor anyway. If we go up there and get a bill out on the floor of Congress which rescinds all specific authorities and simply says in effect the Director can do anything he wants to do, that this would give, in our opinion, our enemies up there or those who want closer supervision of the Agency, whether they're enemies or not, a real hook to hang their arguments on - and a pretty good one.

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MR. KIRKPATRICK: You think Vinson's meaning is to keep any bill off the floor, if possible?

MR. PAUL: If possible. I think he could be persuaded to bring a bill out but he doesn't want a long bill.

Now it seems to me the other alternative, as Larry described, the procurement section, which would be vastly shorter than our present proposal or our present legislation plus the new look on section 5, which is more or less incorporated in the draft, in the papers before you today, which cuts down our bill by some seventeen pages and leaves it two or three double-spaced pages at the most, that seems to me to be the wiser course, particularly on the assumption that we are going to go up for some kind of retirement, because that has to be handled, as I understand it, Larry, that really has to be handled by some kind of legislation unless you really stretch--maybe you can squeeze that in under your section 10 authorities--

MR. HOUSTON: We don't see how you can get out of provisions for the retirement--not paying any attention to specific requirements, including the requirements for veterans, requirements for reduction--

COLONEL WHITE: Larry, how important do you feel the procurement part of this is?

MR. HOUSTON: There are certain things we are doing now that are certainly technically improper. We have never been called on them. Some of them we are probably getting away with because we are putting them on unvouchered, even though they are not necessarily classified items. It doesn't bother me too much, and normally we would try to do it on vouchered but we can't handle it that way. The one place where we might get in the worst jam would be on the lack of extending the availability of funds. We have been doing that in a rather irregular fashion and gotten away with it so far because we had plenty of money left over from prior appropriations. And what we do, as an example, if we obligate the full amount in the first year and then when the three years are up the availability of that appropriation lapses--your expenditure, and you are still going ahead with the contract and making payments and termination--what we are doing is going back and making available the next available year, etc., and it's completely against the rules. It doesn't bother me too much, and the Comptroller General knows we are doing it. But if we ran out of funds we would be in a real jam. So while Logistics wants it

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very much, I don't think the procurement aspects are essentially the point, if they are the only thing we can go after. But if we take something up I think we should try for something on that.

COLONEL WHITE: Even retirement? I was trying to disassociate the two.

MR. HOUSTON: If we go up with anything the procurement is probably the least controversial. It's just following common practice in the last few years in Government. As you know, the Defense Department has gone almost entirely on "no year" funds for procurement purposes. So it would be, I think, fairly non-controversial.

COLONEL WHITE: All we are doing is taking certain provisions of law which are already provided for in the Defense Department.

MR. HOUSTON: If we can justify it. In fact, we would probably do it by admitting we were doing it anyway.

MR. STEWART: I gather that of the four possibilities for handling procurement benefits that we have eliminated two - one to leave the bill alone and the other is to ask that paragraphs 3 and 5 be rescinded and then ask for a letter of intent. Is it the sense of the meeting that these two possibilities are set aside at this time?

MR. PAUL: I was just giving that as my own view.

MR. STEWART: I think we should try to fix on what general line we're going to follow, and then we can clean up some of the questions.

MR. HOUSTON: I agree with Norm that while the revision of sections 3 and 5 with a committee report saying we should use section 10 is technically the best, it probably is loaded also with the most pitfalls - but I don't think we can completely discard it. I think we ought to try to sound out, certainly - possibly with the Bureau of the Budget, and depending on Norm's and the Boss' judgment, whether there is any use in talking to anyone on the Hill about it.

MR. STEWART: Well, actually if you were to do that then further legislation is not necessary.

MR. HOUSTON: The decision would itself be legislation.

MR. STEWART: We are talking about everything except retirement at this point, are we not?

MR. PAUL: But you sort of have to have a general assumption you're going to ask for some retirement provision.

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MR. STEWART: We will debate that later in the meeting, but for those matters other than retirement the sense of the meeting, then, or your recommendation, Larry, is that we consider rescinding these provisions and asking for a statement of intent by the committee and explore that with the Bureau of the Budget.

MR. HOUSTON: I would like to explore it as far as we can without raising it to the point that will get it in the light of public debate, because there is no question technically it is the most satisfactory. It would eliminate this whole confusion between specific and general authorities and clean up our legislation very nicely. But I agree with Norman that if someone wants to make trouble on the unfettered actions of the Agency, that would give them a nice platform to start on.

MR. PAUL: Would you agree to a slight modification of that proposal - that we try that technique out on the Director? And, also, the alternative of a much shorter but specific bill which not only rescinds but puts in by reference or otherwise, the authorities of the other laws? And see which he wants.

MR. KIRKPATRICK: Why not reverse that? Why not prepare your shorter and more specific bill. Then that is the first thing, with the alternatives then falling in line, that you will get the statement of intent, if you can, to straighten out your procurement authorities, and then you can yield to the committee's judgment--and we certainly could respect Vinson's views as to what chance you would have on the floor and what chance there was they would use this bill as a hinge on which to go after us on a broad front.

MR. HOUSTON: You mean as a technique to get this proposal before them?

MR. KIRKPATRICK: A shortened version of the bill. I think all these arguments for a shortened version are very sound. I don't know whether you intend tab 4 as a general idea of what you have in mind, but I think that is fine. Start with that, and then be prepared to fall back on successive defensive lines if that one gets pushed aside.

MR. HOUSTON: Let me see if I understand. We propose this shortened bill and then could use that proposal for the Director somewhere along the line to ask the committee's consideration of the alternative of revision?

MR. KIRKPATRICK: Right.

MR. HOUSTON: But just say this is a technical matter of handling--

MR. KIRKPATRICK: If you think it's preferable. If you put in the bill

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for everything you certainly can shorten the bill far easier than go up there and start over again.

MR. HOUSTON: That is a good way to approach it.

COLONEL WHITE: I would think that would be a good approach.

MR. AMORY: Yes.

MR. STEWART: Is there a motion that we follow that approach?

MR. KIRKPATRICK: So move.

. . . This motion was then seconded and passed . . .

MR. STEWART: Could I go back and clean up one or two points that you've raised before we go to the retirement.

You asked whether the Council would agree to fighting for [] 25X1

[] 25X1A6A

MR. KIRKPATRICK: That is the one most considered.

MR. STEWART: Would someone make a motion that we either do or do not?

COLONEL WHITE: I move that we do.

MR. AMORY: Query. I know so little about this. On the average how many staff employees, rather than agents, do we have [] 25X1A6A

25X9A2 COLONEL WHITE: We have about [] I would say. Isn't that about right?

25X1A9A MR. [] Yes.

MR. AMORY: It certainly is necessary de facto. But the minute you start a broad definition of trust territories then some Congressman has going through his mind the lovely lush tropical places that may be trust territories now, and this would cause a racket and get us all out of whack []

etc. Is there any possibility of handling that covertly--I mean, by an internal regulation that we go along on an ordinary basis and just have an understanding 25X1A6A

25X1A6A that the grade structure for [] will be 1-plus and all of that will be handled in such a way that the guy's retirement would come out the way it would on this basis. [] It's

intimate [] 25X1A6A

25X1C4A MR. AMORY: I'm not wedded to that, I'm just using it as an illustration.

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MR. KIRKPATRICK: Then you would have [] 25X1
instead of one.

25X1A8A MR. AMORY: What is the justification for our people doing better than
[] I have a first cousin who is [] 25X1A6A

COLONEL WHITE: As I understand it, Phil Young and his boys are support-
ing this.

MR. AMORY: Well, you just have Phil Young. We were asked do we fight
for it? I would say get it if we can but don't jeopardize the rest of the program.

MR. HOUSTON: I think that is in your recommendation.

MR. PAUL: Yes.

MR. AMORY: Okay.

MR. STEWART: There is a motion. Is there a second?

MR. KIRKPATRICK: Second.

. . . This motion was then passed . . .

MR. STEWART: The second point you raised was whether we consolidate
with the Foreign Service, that is, refer to their provisions instead of quoting
them, as I understand it. Is there a motion on that?

MR. KIRKPATRICK: I move we do.

25X1A9A MR. [] Second.

. . . This motion was then passed . . .

MR. AMORY: Is it included in that that when you get before the com-
mittees and others that you do the inverse, that appropriate amendment go into
the Foreign Service Act that says, "The following provisions shall apply to
employees of the Central Intelligence Agency."

MR. HOUSTON: No.

MR. AMORY: What we are doing is linking the two. I realize yours
pushes for a CIA bill that incorporates the Foreign Service Act by reference, but
it just could be that when you get up to the drafting stage somebody would say do
it the other way.

MR. KIRKPATRICK: The Foreign Service wouldn't like that very much.

MR. PAUL: No one would suggest that except possibly the Foreign Affairs
Committee, and this would get the congressional jurisdiction problem all mixed up.

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I don't think it's likely to happen.

MR. HOUSTON: It couldn't be as simple as one, over-all incorporation. It would have to be a little like this draft, but it would be a far simpler way - the present spelling out.

MR. STEWART: Then the third point was that we stay with the Foreign Service with regard to allowances.

MR. PAUL: Yes. What kinds of things did we stick in there? We threw in a few very minor items such as temporary quarters allowance, etc., that we had seen in Administration bills. I urge that we stick with the Foreign Service and not complicate that because it would mean that we couldn't do them by reference in the first place; and, secondly, if this is the Administration policy, sooner or later it's going to be reflected in legislation anyhow.

25X1A9A [] Does the Administration have a bill on allowances now?

MR. PAUL: They are working on one.

25X1A9A [] This would apply to all Government employees overseas?

MR. PAUL: It rescinded those of the Foreign Service Act and our Act and made it uniform, and they were, generally speaking, broader than anything that had been done heretofor.

25X1A9A [] If Young is right in his letter that the Administration is going to put in a bill to cover everybody, aren't we in a bad position to try to get exception that treats us more favorably?

25X1A9A MR. [] The Training temporary allowance is being calculated against the maximum per diem.

MR. PAUL: That is one of those instances where they are in effect criticizing the present legislation that is applicable to the Foreign Service, because in that respect we took the Foreign Service authorities.

25X1A9A MR. [] The Foreign Service has temporary allowances over the cost of quarters rather than per diem, so if you said you could pay up through the aggregate of per diem allowable you would establish a ceiling much higher than what they have been actually getting.

25X1A9A [] We are hearing this all the time--until their household goods arrive. I don't recall what they paid for that, but I've heard squawks they are not getting enough.

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retirement provisions for some of the agency's overseas positions, it is our opinion that the present proposal is excessively generous. It is difficult to believe that all of the overseas CIA employees are subjected to the degree of tension and hazard described in the section analysis. It is more likely that many of them are concerned with fact-gathering and subjected to no more tension or hazard than employees of other agencies stationed at the same post who have somewhat similar responsibilities.

"Attention is called to the fact that investigative people get no extra credit for any part of their service. The Retirement Act provides that subject to certain conditions, such employees are permitted to retire at age 50 after 20 years of service at full annuities computed at 2%. Foreign Service officers likewise are not granted extra credit for service at posts involving extraordinarily difficult conditions unless they have waived payment of any applicable post differential in order to obtain such extra credit. Prior to amendment of the Foreign Service Act by P.L. 22, 84th Congress, Foreign Service Officers were not eligible for post differentials, but they were granted extra service credits of 6 months for each year of service at certain differential posts.

"As proposed by CIA, its employees who serve abroad would be entitled both to any applicable post differentials and extra service credits which would double the actual time served at extremely difficult posts, and extra credits of six months for each year of service at any post abroad. With the increases in the annuity computation rates effected by P.L. 854, 84th Congress, which now provides that all service over 10 years be computed at 2%, CIA's proposal would provide for its employees abroad retirement terms far more generous than are presently available to any other group of United States Government employees. This office cannot support such a proposal, but would suggest that CIA develop a proposal which would be more nearly comparable to the provisions applicable to investigative personnel, without provision for extra service credits unless developed along the lines now applicable to Foreign Service Officers."

. . . Mr. Paul was called from the meeting . . .

MR. KIRKPATRICK: My comment on this--which I will expurgate--the Civil Service Commission still doesn't know what this Agency does, because there are too many statements in here that indicate that. In the first place, with the exception of the relative handful that Bob has overseas, to say our people are exactly the same as anybody else overseas--my only comment on that is that they are not doing their job then. As far as "investigative personnel" - perhaps it was unfortunate that we used that term, but for investigative personnel in this country shadowing some crook or penetrating the Communist Party - that has no relationship to our clandestine personnel overseas at all. The stresses and strains are minor by comparison. My only comment is Civil Service doesn't realize what we do and they want to put us in the same basket with the rest of the Federal

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Government, and the sooner we get out of that basket the better for our Agency.

MR. AMORY: I don't dispute you, Kirk, but I just don't think you're going to make a sale, at such a price as here - where you come out with such a large cake. There's another piece in the tab here that points out that Foreign Service Officers by and large pick the bird in hand rather than the bird in the bush - that they don't waive their post differentials.

MR. KIRKPATRICK: That is for a different reason than why we are proposing it, really.

MR. AMORY: I have traveled around a good deal and been very cordially received by DD/P types in various places, but at least a substantial majority of our people are doing what he says here. I am not talking about DD/I types. The liaison boys [] have no more difficulty than the embassy boys dealing with the Board of Trade. They're riding in nice cars and are not doing a thing where they could be beaten with a rubber hose.

25X1A6A

25X1A9A

MR. [] So long as they are in []

25X1A9A

MR. AMORY: How about [] boys? It's a spectrum - you get all the

25X1A6A way from a guy sitting in []. If you can't

make it for all then you are prejudicing the cases of the really deserving ones.

I think it would be a hell of a job. In other words, even if Phil Young and his boys, whoever drafted this letter from over there, even if they had ten weeks'

briefing in the Agency, I don't think you would make a sale. That is the only

point I am making. Look at the boys that were just beat up in [] and may

25X1A6A

be thrown out this afternoon - they don't get any differential for service behind

the Iron Curtain, and the implication to naive people is that we are talking about

25X1

people in the [] subway. And unless you guys aren't coming clean, you don't

have too many of them!

25X1A9A

MR. [] I think there is a lot in what Bob Amory says, Kirk.

I think it comes down to a matter of what we can actually get here, and I don't

think we are ever really going to convince the Civil Service Commission on the

appropriateness of this so long as we continue to keep sizeable numbers within

25X1A8A

. . . Mr. Paul rejoined the meeting . . .

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25X1A9A

[] I don't know whether it's just the hazard that we want this for. We want people overseas, and if you are dealing with a GS-7 or GS-8 who has to take his family overseas and buy a lot of stuff that he wouldn't buy here and can't use when he comes back, and if you want him to do this - two years here and then two years overseas and then two here and then two overseas for the next 30 years we have to make it sufficiently attractive so that he will want

25X1A6A do it--

[] they're going through a lot of inconveniences, and even living in the best houses you can get - they're never heated above 60. It's a hard life, and I want them to be willing to go there and stay there for a long time under those conditions.

25X1A9A

MR. [] And I think the big attractiveness--the situation we are trying to create is not that a fellow can retire a millionaire in 25 years but that he will be able to retire in 20 years at a pretty equitable and reasonable annuity. It's not so much the amounts involved here - the extra payments that we approve. That is important to us from a career point of view and from an Agency point of view, especially in the DD/P. We want to feel after 20 years of good, hard and intensive effort a guy subjected to these stresses and strains can feel in 20 years, "I've made it and can retire and maybe continue my work in a contract capacity on a 3, 4 or 5-hour day." If we can achieve that.

MR. KIRKPATRICK: And the other point is the Agency is going to be faced more and more each year with a critical over-supply of senior officers, and we simply have not enough billets around Washington to handle them.

25X1A9A

MR. [] If we can get what we want in terms of the time factor on an equitable basis, I think we should consider we have been highly successful in the achievement of our objectives.

MR. HOUSTON: That brings up another question of whether you could compel retirement at that point.

25X1A9A

[] You couldn't unless you further amended the Civil Service retirement act.

25X1A9A

MR. HOUSTON: Except there is one gimmick, which [] has pointed out, if they are involuntarily separated at that point they go under the Civil Service retirement, whereas if they voluntarily retire they go under this - which is a higher annuity. So you just point out the facts of life to them.

MR. STEWART: If they think you can get them on an involuntary retirement.

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MR. HOUSTON: You can, if you want to set the regulations up that way.

25X1A9A

[redacted] You can always tell them, "There's no job for you in the United States."

25X1A9A

MR. [redacted] Or if you tell them they're going to be down-graded--

MR. STEWART: The proposal we have here is retirement at 50 years of age, and I know Rud will want to discuss the various ways you could acquire your annuity, whether a year and a half or waiting for five years to get it, or at other rates. We do not have before us at this stage a proposal which will take care of extra money for the person who is serving in a position which places him under extra tension. Now you can't categorize that as an "unhealthful" post unless you're talking in a very special sense because great tension and danger can occur in places that are otherwise considered to be perfectly healthy and by no means of a hardship nature. And the breakdowns that we have had so far, that I have been able to observe, occur quite without relationship to whether it's a bad climate or a good climate. There are some cases of just plain getting dysentery because of too much of this or that, but we have had breakdowns of people elsewhere, and quite understandably. I have been very much perplexed about legislating for that type of tension or that type of wearing down of an individual. I just don't think it is possible in a bill to categorize certain positions that will automatically gain you certain types of benefits. I can't see it. I can't see that we can list the post or anything else. I think the Agency should very seriously consider some type of review or position analysis which would permit us at the conclusion of a person's tour in a place that has cost him a fairly heavy toll, some benefit that we could then give him either in the way of a bonus or an award or something that would be within the Director's authorities and would be equitable. I think there is a need for that. I have seen enough cases to convince me it would be a great thing for morale. If we insist that a man, for example, because he is a key man stay in a really miserable post for a period up to 8 or 10 years--we have carried some people a rather long time in rather difficult positions--then I think we should be in a position to reward him for having done that.

MR. KIRKPATRICK: I agree but I think on this business of hardship posts that as far as this Agency is concerned it isn't necessarily the climate or the living conditions; for instance, [redacted] was a hardship post.

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25X1A9A

[redacted] But in terms of a career doesn't that even out?

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It sort of averages out. We don't keep them there anything like five years. The longest I've had a man in one place is four years. You just know you are going to get a bad post and a good post, and it will average out over a career. It does in the military.

25X1A9A MR. [] But you have certain geographic components, such as NEA, where a good part of the stations are located in that one area.

25X1A9A MR. [] They are already getting a differential.

25X1A9A MR. [] I am not arguing the point, but that is what makes it tough. If you get an Arabic-speaking fellow then it's hard career-wise to say we can afford the luxury of taking this rare jewel and sending him down to the other end of WH for rest and relaxation, because you need him too urgently.

MR. STEWART: I visited yesterday a man who just spent the last six years in [] and he is pretty badly shot up from the pressure of work.

25X1A6A MR. KIRKPATRICK: And the tension of being in a danger area.

25X1A9A MR. [] And what is dangerous for CIA is different for the Foreign Service because of association with the clandestine apparatus.

MR. STEWART: 60 or 70% of our people in [] are not under tension. 25X1A6A

MR. KIRKPATRICK: But every one of our people in [] is exposed to possibly kidnapping or something else. 25X1A6A

MR. AMORY: Again, aren't there a lot of CIC civilians. I have a sneaking suspicion that is what Phil Young has in mind, rather than local shadows and schmoos.

MR. KIRKPATRICK: CIC civilians - don't they have military privileges, most of them?

25X1A9A MR. [] I am quite sure they do. They carry military identification.

MR. KIRKPATRICK: So I think Young is thinking more of the civilian components. But I get the sense of this meeting to be "let's get after accelerated retirement and forget accelerated cash."

COLONEL WHITE: I think as a practical matter that we have got about as much chance as the proverbial snowball of getting something into a bill which will satisfy, as Gordon said, this need, but recognizing that it is there - maybe there is some other way to solve it.

25X1 MR. PAUL: Use your 10b authorities.

[]: We have a formula here which actually comes within 2% of

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the Foreign Service no matter how you calculate it. In one extreme it is 98% of the Foreign Service annuity; in the other case it's 102%.

MR. AMORY: What was the reason for not using the Foreign Service itself?

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MR. [] Because we are for all practical purposes coming to the Foreign Service concept through this device or "gimmick" if you want to call it that--the Foreign Service has identified a group of Foreign Service Officers who have to serve overseas. That is not true of CIA, and as a matter of policy we have decided not to identify such a group, because all of our secretaries, our drivers, our finance people, are in our Career Service. We have identified this new group by saying five years overseas constitutes the group we are talking about; therefore a person who has served five years overseas has in fact demonstrated he is a career overseas type, whether he's a Commo man or a few cases of the DD/I or a few more in the DD/S or the many in the Clandestine Services. We have used that to identify the group we are talking about. Then we say, "All right, we will apply a special retirement to this group which has identified itself as being overseas type." The formula which we have computed here, and this comes out of our discussion at your staff meeting yesterday [indicating Colonel White], and that is formula G. These are for these six types of service and four types of levels, and so on - these come within 2% of what the Foreign Service would be according to their formula. In other words, if you compare formula A, which is in the agenda, with formula G, you will get a direct comparison between the Foreign Service annuity dollar figure and the proposal which we are making. Now in A to G throughout this whole array of figures the percentage differences range from 98% on the one hand to 102% on the other. We have therefore met the Civil Service Commission and Bureau of the Budget's position that we previously have asked for something excessively generous. We have not now asked for anything excessively generous because we are right on the nose with the Foreign Service. We have not asked, and we don't propose - and I personally don't recommend the differential for a hardship or unhealthful post for the simple reason that it is ineffective as long as you give the option and nobody is going to, I believe--over the dead body of the Bureau of the Budget are they going to let us have both. I personally believe it's an "eat your cake and have it" to persist in both, and I think it jeopardizes the entire program to continue to persist in both.

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MR. [] Was it stated anywhere that you intend to eliminate the post differential?

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MR. PAUL: We get the post differential with our analogy with the Foreign Service. What we have eliminated is this two years for one, which was the way we had put it, but they said that's "have your cake and eat it." But as I understand it, the Foreign Service people all take the post differential.

25X1A9A MR. [] The way it works now at a 25% differential post--

MR. AMORY: \$10,000 versus \$400 a year. That is 25 annual payments, and if you discount value, you would have to be more than 90 years old to show a profit on that.

25X1A9A MR. [] But if you take the cash and invest it yourself you can get a better rate than that.

25X1A9A MR. [] So that election has become completely ineffective. The unhealthful post provision dates from 1900. At that time the Foreign Service did not have the opportunity of a post differential. The minute the Foreign Service was given the opportunity of electing it [P.L. 22, 84th Congress, 1955], they all swung away from the unhealthful post provision and they took the post differential except for one or two people because of a particular tax angle. This information comes from the retirement people in the State Department.

25X1A9A MR. [] I'd like to raise one point and that is with respect to the five-year minimum requirement for overseas people for eligibility under this program. Was that figure arrived at as a result of a particular study or more or less arbitrarily chosen as being a proper and equitable figure in relation to DD/P statistics?

MR. PAUL: It's a lesser figure than the Bureau people suggested last year.

25X1A9A MR. [] They offered us nine or ten years. It's somewhat of a "blue sky" figure. In other words, since the Clandestine Services are only nine and a half years old, you can't tell how many years a person is going to serve, but estimations of the frequency and succession of tours up to this point lead us to believe that five years is a good threshold to start with, and it also is sufficiently long to say with some justification that we have identified an overseas man because he has had at least two tours overseas.

MR. AMORY: And then you go back--if he serves five years and one month overseas he counts the whole works.

25X1A9A MR. [] Four years and 9 months and he gets nothing; at five years and one month he picks it all up.

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MR. PAUL: Have you discussed this other alternative that we tried before the meeting, which was one and a half--

25X1A9A MR. [] That is shown in the comparison between column D and column G. Column D in the vertical chart here is the original proposal which we presented yesterday to the DD/S staff meeting. As a result of the discussion there we computed columns E, F and G. For example, E is $1\frac{1}{2}$ years' credit for each of all years overseas but it's creditable only after you have served five. Now in a dollar comparison you will see that that is pretty excessively generous. For example, compare the very bottom figure of column E with the very bottom figure of column A and you will see that the CIA man would get \$2,275 more than the Foreign Service Officer. In other words, it's about 20% more than the Foreign Service gets. That is what I consider the Civil Service and the Bureau of the Budget to be calling "excessively generous" - and I don't believe there is a ghost of a chance of that kind of formula being approved. I think we have to be on target as far as the Foreign Service is concerned to have even equitable consideration of the formula.

MR. PAUL: But taking E as against D, doesn't D have certain advantages--

MR. HOUSTON: The point was D only credits overseas service after five years and therefore does better for the fellow who stays over a long time.

25X1A9A MR. []: That is right. There are greater swings. For example, the percentage relationship between A, Foreign Service, and D - $1\frac{1}{2}$ after 5 ranges from 98% to 107% - the swing is greater depending on the number of years' service. At 10 years service, the bottom figure, you see that D and G are the same. This puts a higher premium on longer overseas service.

MR. PAUL: Over 10 years D would start overtaking--

25X1A9A MR. [] That is right.

MR. STEWART: You have to figure you are going to have cases up to 15 and 20 years, too, in the long run.

MR. HOUSTON: So we thought consideration ought to be given to that aspect of D and encouraging the long service overseas and not letting someone just fill out their five years to get in the group and not want to serve overseas anymore.

COLONEL WHITE: It may be worth thinking about in view of the Bureau of the Budget's suggestion last year that we take 10 years or 9 years, or something

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like that. I like this proposal myself for a minimum of 5 years and 20 years' service, including that 5 years, but they may look at it the other way around--

25X1A9A MR. PAUL: They may look at it just the opposite, though, Red. Isn't this your theory, [REDACTED], that when you get up to the 20-year limit you are really way above the Foreign Service at that point.

25X1A9A MR. [REDACTED] Yes, you would be too high at that point. They will say this is excessively generous for these people.

MR. PAUL: I think it would be. I don't know.

25X1A9A MR. [REDACTED] Column G, which is the one and one-quarter for all overseas is the most equitable, in my opinion, and that is the one which comes closest to the Foreign Service in every situation that we have so far calculated. It ranges from 98% under to 102% over in only two cases. I mean, in one case there is only \$35.00 difference between ours and the Foreign Service, according to the formula. That is Roman II, bottom figure - it's \$7560 in Foreign Service and \$7525 in CIA's plan G.

COLONEL WHITE: Rud, may I ask you one question, in this way: Does this mean that a man with 20 years' service, five of which was served overseas, at age 50 could retire with the same annuity that another individual, age 60, who had less than five years' overseas service would get? Is that not right?

25X1A9A MR. [REDACTED] Well, you can compare column B - column B is the Civil Service retirement, and until you have five years' service everybody would retire according to column B. Now let me see if we can answer your question from this table - age 60, 30 years' service, 8 years overseas - the overseas doesn't count in column B, so the man in column B with 30 years' service gets \$7875. We don't have it here for 30 years' service.

MR. HOUSTON: Including 20 years' service at 50, with 6 overseas, he gets \$5495.

25X1A9A MR. [REDACTED] He has ten more years' service so he gets a higher annuity. He hasn't put in any time overseas.

COLONEL WHITE: That answers my question.

MR. AMORY: One point you ought to make in all arguments with these guys is that this table doesn't go close to the salaries at which many successful State Department heads will retire. Many of them will get \$27,500, and we can assume our chiefs of station will go out at the top of Civil Service or a hair above that.

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So in talking about incentive to make a career in CIA or in the State Department-- one of my friends figured out if he could get an Embassy he could retire at 51 for \$17,000 a year.

MR. PAUL: A career ambassador's top salary is \$27,500. I thought his retirement was computed on the basis of his service with the Civil Service.

MR. KIRKPATRICK: I think a five star General's maximum retirement is \$19,000. I don't think there is a higher retirement.

25X1A9A MR. [] The Foreign Service is limited to 70% of their maximum salary. It can't be more than 70%. But that means he has to have 35 years of service to give him 70%, which is the maximum that he can retire on.

MR. HOUSTON: That is another reason for not incorporating the Foreign Service retirement.

MR. AMORY: But 60%, which he gets up to fairly easy - for 30 years of service. A guy comes in at 22 and retires at 52, having been an ambassador - like Bohlen - at a first class post, gets 60% of \$25,000 or \$15,000 a year, which is a base pay, which isn't bad.

MR. PAUL: For the highest five consecutive years of service--

MR. KIRKPATRICK: That is true of the Civil Service, too.

25X1A9A MR. [] That is the high five.

There's another important angle, I believe, which our formula accommodates, and that is the suggestion, or the invitation, let's say, of the Bureau of the Budget and the Civil Service Commission to consider the investigative retirement formula. Now there is attached under tab 3, Note B - CIVIL SERVICE RETIREMENT, paragraph 6 [reading]:

"A special provision, very similar to the basic formula for the Foreign Service, is available for law-enforcement employees . . ."

Now it is important, I believe, to realize what we mean when we are talking about this. "Investigative employees" is a term which is used rather loosely. The law enforcement provision of the Civil Service Act--and if we were granted this provision our provisions in the Civil Service Act would have the same kind of status as the special provision for law enforcement employees, as I see it--age 50 or over, 20 years of service, but actual service in a position as described for at least one year preceding retirement. That is a very rough and very unsatisfactory kind of provision, because that means that law enforcement employees scratch for

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getting assigned to an actual law enforcement job in their last year of service, because unless they do that they are not eligible for this retirement. But the legislative history back of this, although I don't want to apply it to law enforcement I think it is important in what we are talking about--I would like to read this to you, and it's quite brief [reading]:

"The legislative history of this provision shows that its purpose is to allow the earlier retirement of certain employees whose duties are primarily the investigation, apprehension, or detention of persons suspected or convicted of offenses against the criminal laws of the United States who, because of the physical requirements of their positions and the hazardous activities involved, are no longer capable of carrying on efficiently."

Now that is not what we are after but the important point is that the legislative history shows it is to permit the early retirement.

It then goes on [reading]:

"Their replacement by younger men would improve the service."

That is what we are talking about, that replacement by younger men would improve the service. And then it goes on, and this is important [reading]:

"A more generous method of computing the amount of annuity is provided, not as a special reward for the type of service involved, but rather because a more liberal formula is usually necessary to make the earlier retirement (with resultant shorter service) economically possible."

[Federal Personnel Manual
R-5-36
Approved October 29, 1956]

In other words, it's a purely pragmatic thing, that they are not rewarding a law enforcement employee for his service but they are giving him more because if they don't give him more money he can't afford to retire. That is what we are talking about, too. If we want early retirement we have to give more, otherwise they are not going to volunteer to retire, and the retirement has to be voluntary, as I understand it. That perhaps might bring us to this statement which we discussed yesterday at your [indicating Colonel White] staff meeting: What is the objective you are after? And I have a wording here which may be on target and maybe it is way off: "The objective of the retirement system for CIA is to improve the service by providing persons who serve extensively overseas with CIA special retirement benefits in terms of an economically feasible annuity upon retirement at an age earlier than normal for most Government employees." We are asking for retirement at an age earlier than normal for most Government employees

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for those who serve overseas, and in order to do that we are providing an economically feasible annuity. I think that is our objective - I'm not sure, but as I understand it that is the objective, and those are the three essential elements:

(a) earlier retirement than normal for most by reason of overseas service, (b) having been identified as a part of an overseas group, and (c) in order to make it possible on a purely pragmatic basis rather than as a reward for overseas service - an economically feasible annuity, which comes about through a more generous formula. That is exactly what was done by Congress for law enforcement employees, and therefore those principles apply to what we want, which is early retirement in order to improve the service.

MR. PAUL: Isn't it also in our case, in part, at least, a reward?

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MR. [] It may be but that is not our objective.

COLONEL WHITE: My feeling is that this is a more saleable objective, even though we may be looking for some intangibles that Gordon talked about.

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MR. [] I think if we approach it as a pragmatic thing rather than a desire to reward, it is more saleable.

COLONEL WHITE: Because right away they would say, "Well, they think they are different from everybody else."

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MR. [] We are doing it to improve the service, solely, and in order to improve the service we are giving a more generous annuity because by giving a more generous annuity we persuade more people to volunteer to retire at an early age.

MR. HOUSTON: That was the rationale used in that bill and it might be for ours. As a matter of fact, though, the agencies that have this use it as a recruiting incentive and as a statement of reward for tough service.

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MR. [] We certainly could once we had it, but I don't believe we should say that is why we wanted it.

MR. HOUSTON: But you will be a little two-faced about it. That is what I mean.

MR. STEWART: The Army uses 20 years' service as a recruitment incentive and their purpose of the 20 years is obviously to keep it a young service. I see no conflict there.

MR. HOUSTON: No. It's consistent.

MR. STEWART: I would like to possibly take up the various issues raised

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now in the retirement provisions and see if we can arrive at some decisions. First, as to the number of years to be served in order to earn an accelerated retirement rate. Is 5 years accepted, as a starting point?

MR. AMORY: I'm just turning over in my mind - yes, but in view of what the Bureau of the Budget said last year we might hold this in reserve - five years or one-third of total service, whichever is greater. In other words, I am a little worried about their looking at a guy who has only had five years, who came in in his 20's and has basically been a bureaucrat in Washington for 25 years, and he comes up to retire on his 60th birthday. Does he deserve any premium? We want a guy who is typified--you put it very well a half hour ago - this is the kind of guy who is basically an overseas servant--if a guy joins us at 48 and does five years and retires at 59 or 60, and if his career with us has been substantially overseas. I am not asking you to change this on the record but I would suggest it to whoever may be negotiating further on this.

MR. KIRKPATRICK: I think that is all right.

25X1A9A MR. [] May I make this suggestion--this is a negotiable point - we can withdraw on a year by year basis - 6, 7 or 8--all it means is that a man has to serve seven years before he gets any of this acceleration but it doesn't change the formula.

MR. HOUSTON: Five years or a percentage of service--

25X1A9A MR. [] If we do it on a percentage of service it makes the computations more qualified.

MR. AMORY: Once he met the standard then your computation--

25X1A9A MR. [] But it would be six and two-thirds anyway, because 20 is minimum. Isn't that what you mean? If it's five years then you have automatically moved up to six and two-thirds.

MR. AMORY: Then I would suggest our conceding--pointing to 7 years and from there on 7 years or 25%, rather than adding absolute figures.

25X1A9A MR. [] I wonder if I could point out a flaw? If you take a percentage of total time - for instance, one-third, you may have a man in his 50's who has just the minimum percentage of years to allow him to retire under the special benefit, but if he stays another year he would lose it, and you may want him to stay for another year.

MR. STEWART: A very good point.

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25X1A9A MR. [] Yes.

25X1A9A [] Of course, underlying all of this - if the Director says, "I need you and I'm not going to let you retire" - that will be the end of it. This is not a right to retire.

MR. AMORY: But if the Director didn't let him retire then this man would suffer a severe financial penalty.

25X1A9A MR. [] Using five years as a point of departure and then falling back to six, seven, eight, if possible. To hold it in line somewhere, if possible, I think is practical.

25X1A9A MR. [] It's somewhere between five and nine, which is the bargaining year.

MR. STEWART: I think one of the things we have to face is the composition of the population of the Agency that we have now and the population which we will have at some future time. Using nine years it would be perfectly satisfactory if we were getting legislation ten years from now when you have established a lot of people who are overseas types and had their nine years or ten years, or whatever it is, and you're doing them a favor. What we want to do now is to set up a basis for retirement at 50 for a good number of people who are now in the Agency and a fair number of whom probably would not get nine or ten years overseas between now and age 50. What we want is permissive retirement. They may not want so much money but they may want to retire, get a decent annuity, and go on to doing something else.

25X1A9A [] This will be the bulk of my people who would be considered non-coms.

25X1A9A MR. [] The five years counts from September, 1947, and does not take into account the time spent prior to 1947.

MR. STEWART: I would try for five years now, and I don't know whether you would write in the piece of legislation that the Director at his option may increase that rate at some future time. It may be desirable at some future time--

25X1A9A MR. [] No less than five years, at the discretion of the Director.

MR. AMORY: I think that would gum up your selling possibility. A lot of people would say, "Just when I have this all set then the groundrules are changed." I think that would be quite unequitable.

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MR. STEWART: I think it would be, yes.

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MR. [] I keep losing sight of and keep needling myself to come back to the important thing, which I think is true, that we have a present age and grade and service work force but ten years from now that picture is going to be quite different because we grew by a large amount of lateral entry, and now we grow by bringing people in at the bottom - so ten years from now our average age and grade and total overseas service is going to be very different from the way it is now in the Clandestine Services. It won't be any different in the DD/I and DD/S as far as overseas' service is concerned, to any great extent whatsoever. This is primarily a problem of Commo and the Clandestine Services.

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[] One of the problems, I will have people who will figure on doing two tours probably overseas while they are young and they don't mind going overseas, but when they get older they don't want to. I need an incentive that will keep them going overseas, and this will do it. A man wants to get five years and he will go again and get six, and by that time I've got him. If you can get them to do three tours, they're in then and will want to stay then.

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MR. [] This will give you better competition with the electronics people on the outside, too, because you are going to be a lot closer to what they're offering on the outside.

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[] The thing that appeals to me is five years or six years. I don't think it should be more than that. We ought to stick to that rule.

MR. STEWART: Well, five years actually amounts to two long military tours, two State Department tours, or three short military tours. I think it's a fair enough figure.

MR. PAUL: Then let's try for that and stick to it pretty hard, and leave it up to the Director if he wants to do anymore.

MR. STEWART: The second point is, then, do we pay the first five years? Do we make this retroactive under the system - E, F and G?

MR. AMORY: I will move G as the preferred form.

COLONEL WHITE: Second.

. . . This motion was then passed . . .

MR. STEWART: I think that does it.

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MR. HOUSTON: I have some further question. Supposing we get up, under one of our proposals or another, before the committee or in preliminary discussions and Vinson or Russell, or whoever we're talking to, says that they will give us a letter of intent to go ahead under section 10 and they will give some indication to the Comptroller General but "don't bring up any retirement." How important is retirement? Would we be willing--

MR. KIRKPATRICK: Yes, sir! For a bad Congress - to go up if they say not to come up--because they're aching to get a big crack at us.

MR. PAUL: I think the Director would react instantaneously on that.

25X1A9A MR. We have very little to lose by postponing the retirement, really, because if it's retroactive to 1947 the only persons who are going to lose are those who retire between now and the enactment of the bill.

MR. KIRKPATRICK: If it was last year, I would say push it, but this year I would say if our friends up there - Vinson and Russell - want us to stay off that subject, that we will pull out immediately, because there are a couple of laddies up there waiting for a good peg to hang us on.

MR. AMORY: Just to show them we really want this could we say we are perfectly willing to let this sit in committee for the first session?

MR. KIRKPATRICK: No sir, Bob, I wouldn't even let it get printed, because all you're going to need is to get it up and some parliamentarian--we don't have enough friends to keep it bottled up.

MR. HOUSTON: We can convince them of that since retirement could be retroactive.

MR. KIRKPATRICK: Last year I wouldn't have hesitated a minute to get it out on the floor because I thought we were safe from any threat of investigation. This year it isn't so.

MR. PAUL: We kept in our bill, at General Cabell's behest, the raising of the ceiling on military officers from 15 to 35. Actually we have cleared through everybody, including, in principle, the Director--and I hope I'm not misquoting--to leave it out. As I recall at the last meeting here it was decided there was no need to go for it, particularly if this was liable to set the committee against us.

MR. KIRKPATRICK: The Council knocked it out before. Now the Director has indicated he isn't particularly interested in pushing for this.

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MR. PAUL: Is the Council's position still as it was before?

MR. AMORY: I'd like to keep it in or at least have another crack at the Director about it. I have five different cases of guys from my side of the house who served on military detail with us--Hutch, for example--who has now gone back to the Air Force and is doing intelligence work in the Far Eastern command, and he's going to retire at his earliest opportunity - and he would be a terrific asset. We are going to get a lot of guys who are essentially, morally CIA converts but can't afford, wisely and financially, not to run out their string in the military service. Secondly, we get reports all the time from war college people, both from down here and up in the service ones, that CIA is so much better than the old one was that a hell of a lot of guys would like to work with us. We are going to pick up occasionally guys that are intelligence trained. These are not misfits or want in because they were buddy-buddy with some guy in the office.

MR. KIRKPATRICK: Then leave it in and if the committee starts to object, yield on it.

MR. AMORY: I'd hate to see it thrown out in the front office here because at the moment somebody doesn't see a pressing need for it.

COLONEL WHITE: General Cabell's feeling was just that this ought to be put in, and if at any time we saw it was jeopardizing anything, that we could then withdraw. And the other thing I would say is that I think on the results of this meeting we ought to brief the Director and General Cabell as quickly as we can, before we go back to the Bureau of the Budget, to make sure we have their support, and at that time all of this will be presented to the Director.

MR. STEWART: Do we have to have 35?

MR. KIRKPATRICK: Take any number you want.

MR. HOUSTON: This is an interesting thought: NSA is proposing in their legislation the authority to hire retired officers who have served with NSA.

COLONEL WHITE: Didn't the 35 come from the Hoover Commission's recommendations?

MR. KIRKPATRICK: They weren't specific.

25X1A9A MR. [] Does the Director get any comfort from the fact that if he is hit by an old crony he can sit back and say, "Gentlemen, I'd love to do it but I'm full up to the limit right now. The law says 15 and I've got 15 and that is it."

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MR. STEWART: I think 25 is a much better number than 35, speaking for Personnel.

MR. KIRKPATRICK: I think Larry's comment on the NSA proposal might be studied a little more.

MR. HOUSTON: Something along that line. We might think of some wording.

COLONEL WHITE: How about your IAC people? Would that exclude your IAC people unless they had actually served with the Agency?

MR. AMORY: It probably is so easy to get around that. If you want a guy just arrange for him to be recalled to active duty, and just post him to us for a year.

25X1A9A MR. [] Couldn't you get around this if you had to by having a man assigned to us for one day? He had served with us.

MR. STEWART: I think if we want them I'd like to have the thing say we want them without limitation, and have our own groundrules as to how to pick them up. I would prefer to hold the number down to 25 rather than 35 simply because if you get 35 and that gets around there will be a lot of fellows lining up.

MR. KIRKPATRICK: They already are.

COLONEL WHITE: I'd like to say just one other word on that, that despite Bob's plea here, generally speaking I think this is something we are putting in more or less because we felt we had to put it in but we weren't going to bleed and die over it. So I see no sense in watering it down or restricting it to enhance the chance of getting it through.

MR. KIRKPATRICK: But Gordon, the Director of Personnel, is going to have to live with this thing.

COLONEL WHITE: Yes, sir.

25X1A9A

MR. AMORY: But isn't it true, actually, that we have fudged in a sense? I think our No. 3 guy in [] shop is retained on active duty and assigned to us far beyond his time. We can clean up some of these phoney jobs now where he is ordered to duty from retirement from the Army, and work with us. If you're worried about being able to fill those up, we can convert several people like so [indicated by snapping fingers] - so you can say I've only a handful.

MR. STEWART: I think we could say 25, but I can't honestly see that we have 35 positions.

COLONEL WHITE: We can never say at any time during the history of the

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Agency that we haven't had an adequate number of positions to take care of our needs.

MR. AMORY: No, that is not true. I lost two excellent guys in the NIS program. I had to work it out with General Partridge and it took a week once, because you wouldn't take the guy aboard on a PL 15.

MR. PAUL: I'd like to add to Colonel White's suggestion that we ought to talk this over with General Cabell and the Director before we talk to the Bureau.

MR. STEWART: If there is no further business, the meeting is adjourned.

. . . The meeting adjourned at 4:40 p.m. . . .

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